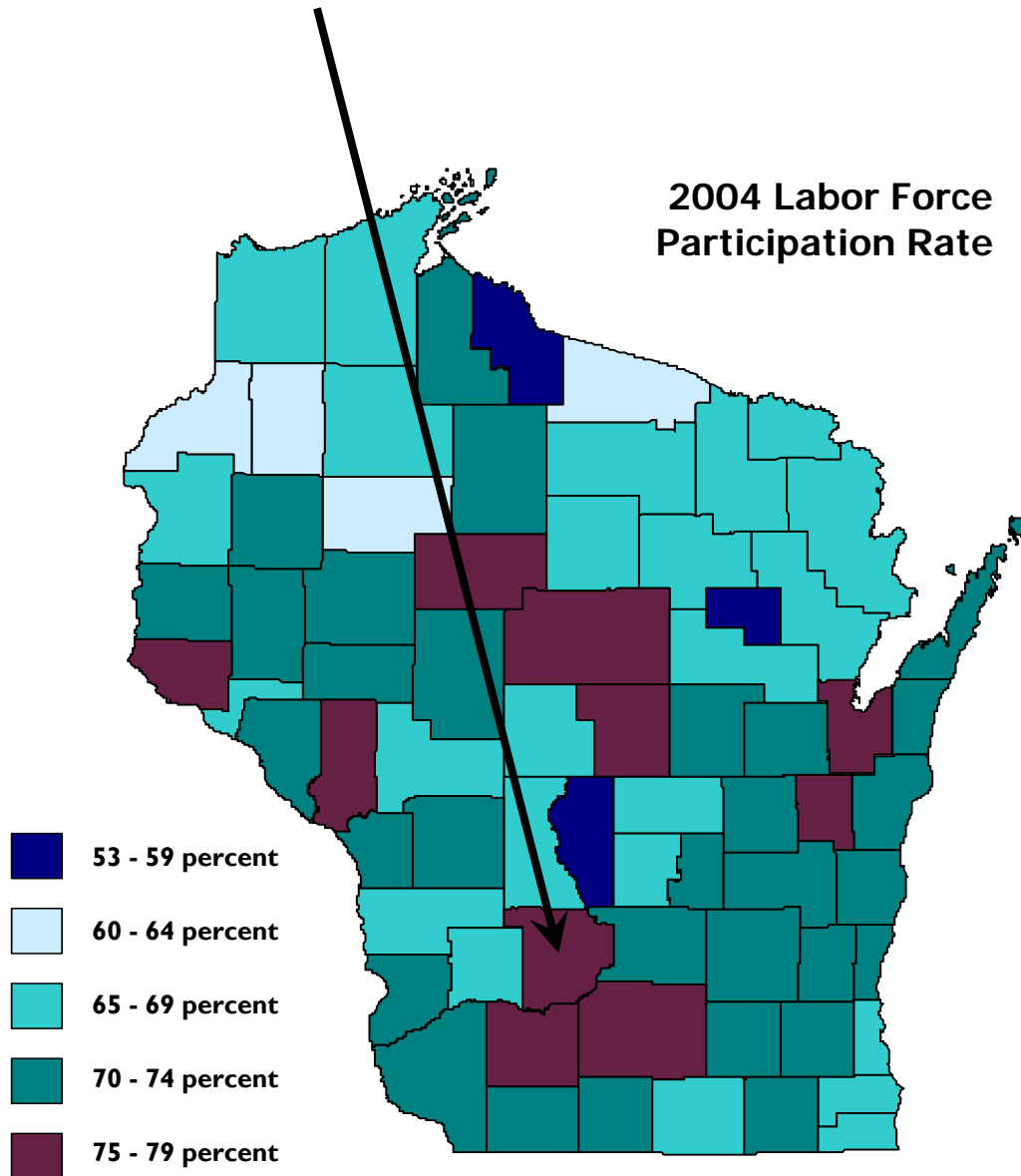


Sauk County Workforce Profile



Source: Estimates created by DWD, OEA using data supplied by
U.S. Bureau of Labor Statistics and U.S. Bureau of Census

Regional contact:
Dan Barroilhet
Office of Economic Advisor
1819 Aberg Av. Suite C
Madison, WI 53704
608.242.4885
Dan.Barroilhet@dwd.state.wi.us



State of Wisconsin
Department of Workforce Development
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County Population and Labor Force

Population trends affect the supply of workers, the willingness of employers to open, expand or continue local operations and the demand for goods and services. Sauk County's population grew by 4,041 people or 7.3 percent between 2000 and 2005. This reflects faster population growth than the nation (4.9%) and the state (4.0%). In 2005, the City of Reedsburg, the Village of Lake Delton and the City of Baraboo had 22,611 residents or about 38 percent of the county's population. In five years, they gained 2,091 residents, accounting for nearly 52 percent of the county's total population gain.

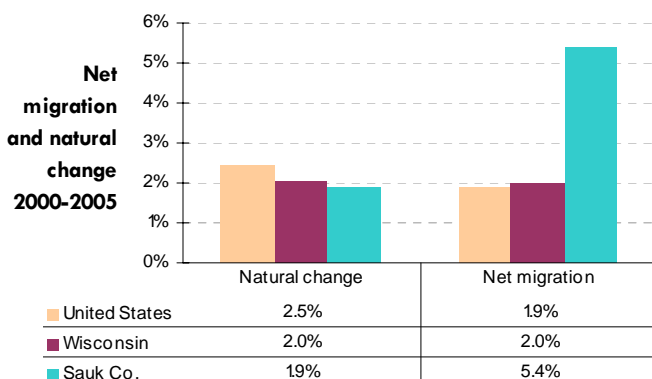
Like many non-metropolitan counties, Sauk County's natural population change (births minus deaths) is smaller than its net migration (people moving in minus people moving out). Demographers with the Wisconsin Department of Administration project that net migration will slow dramatically during the projection period. While birth and death trends tend to be fairly predictable, net migration trends change more quickly and less regularly. This is particularly significant in a county where net migration accounts for nearly three quarters of total population change.

The table to the right shows that Sauk County's labor force participation rate (75.0%) is higher than Wisconsin's (70.8%) and well above the nation's (65.4%). Focusing on the 16-and-over population shows that Sauk County has lower concentrations of residents aged 16-24 years and 25-59 years and a

Five largest municipalities in Sauk County

	April 2000 Census	Jan. 1, 2005 estimate	Numeric change	Percent change
Sauk County	55,225	59,266	4,041	7.3%
Baraboo, City	10,711	11,248	537	5.0%
Reedsburg, City	7,827	8,704	877	11.2%
Prairie du Sac, Village	3,231	3,546	315	9.7%
Sauk City, Village	3,109	3,229	120	3.9%
Lake Delton, Village	1,982	2,659	677	34.2%

Source: Wis. Dept. of Administration, Demographic Services, August 2005



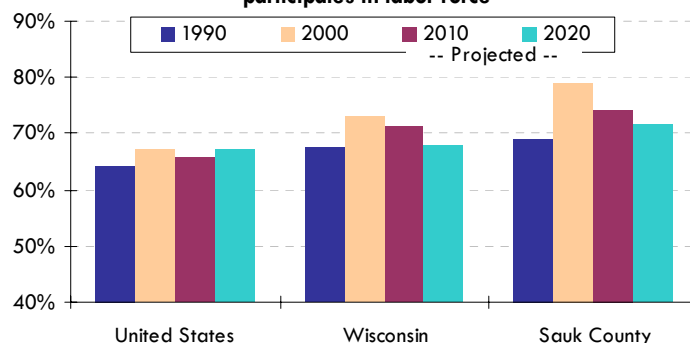
Source: WI Dept. of Admin., Demographic Services & US Census Bureau

Population and Labor Force

	United States	Wisconsin	Sauk County
Total population in 2000	281,424,602	5,363,715	55,225
Population est. Jan. 1, 2005	295,160,302	5,580,757	59,266
Change	13,735,700	217,042	4,041
% change	4.9%	4.0%	7.3%
2005 Labor force population*	224,837,000	4,339,938	46,430
Share of total population	76.2%	78%	78.3%
Labor force	147,125,000	3,071,179	34,831
Labor force participation rate	65.4%	70.8%	75.0%
2005 Population 16 yrs. & over	228,621,674	4,417,313	47,050
16-24 yrs old	37,489,370	743,764	7,502
Share of population 16+ yrs	16.4%	16.8%	15.9%
25-59 yrs old	142,248,896	2,708,865	28,266
Share of population 16+ yrs	62.2%	61.3%	60.1%
60 yrs and older	48,883,408	964,684	11,282
Share of population 16+ yrs	21.4%	21.8%	24.0%
Projected population: 2020	335,804,546	6,110,878	65,821
Population 16 yrs. & over	264,085,104	4,869,573	53,018
16-24 yrs old	37,918,865	681,586	6,162
Share of population 16+ yrs	14.4%	14.0%	11.6%
25-59 yrs old	150,678,402	2,756,884	30,460
Share of population 16+ yrs	57.1%	56.6%	57.5%
60 yrs and older	75,487,837	1,431,103	16,396
Share of population 16+ yrs	28.6%	29.4%	30.9%

* civilian population 16 yrs. and older not in an institution

Percent of labor force age population that participates in labor force



Source: special tabulation by OEA using US Census, US Bureau of Labor Statistics, WI Dept. of Admin. estimates and projections

higher concentration of residents 60 or more years old. Between 2005 and 2030, the cohorts between 60 and 79 years old will experience much larger, faster growth than younger cohorts. Because labor force participation drops sharply in these cohorts, labor force growth will be constrained while the older population will add to the demand for services.

Revised Labor Force

All labor force estimates published from 1990 to 2004 have been revised. The more recent years reflect trends revealed during Census 2000 while the 1990s were updated to include changes from 1990 to 2000 but are still based on ratios from the 1990 census.

The annual averages in the table to the right hide seasonal fluctuations. In 2004 Sauk County's unemployment rate peaked at 5.9 percent in February and dipped to 3.4 percent in September. The labor force estimate bottomed out well under 34,000 in April and peaked at nearly 37,000 in July. The construction and leisure & hospitality sectors contribute to seasonal labor force trends.

Unemployment rates from the first half of the current decade reaffirm that unemployment rates are a lagging indicator of economic recovery. By the time unemployment rates peak, other economic indicators have been in more encouraging territory for a while. In Sauk County, as in the nation, the 2003 unemployment rate is the recent peak. The labor force estimate shrank two out of the last three years.

Sauk County Civilian Labor Force Estimates

	Labor force	Employed	Unemployed	Unemployed rate
1990	26,277	24,883	1,394	5.3%
1991	26,557	24,869	1,688	6.4%
1992	27,492	25,888	1,604	5.8%
1993	28,462	26,935	1,527	5.4%
1994	31,460	30,051	1,409	4.5%
1995	32,355	31,066	1,289	4.0%
1996	32,990	31,751	1,239	3.8%
1997	33,610	32,413	1,197	3.6%
1998	33,852	32,734	1,118	3.3%
1999	34,582	33,638	944	2.7%
2000	33,288	32,314	974	2.9%
2001	34,438	33,193	1,245	3.6%
2002	34,319	32,799	1,520	4.4%
2003	35,127	33,480	1,647	4.7%
2004	34,831	33,309	1,522	4.4%

Source: DWD, Bureau of Workforce Information, Local Area Unemployment Statistics, September 2005

Education Attainment

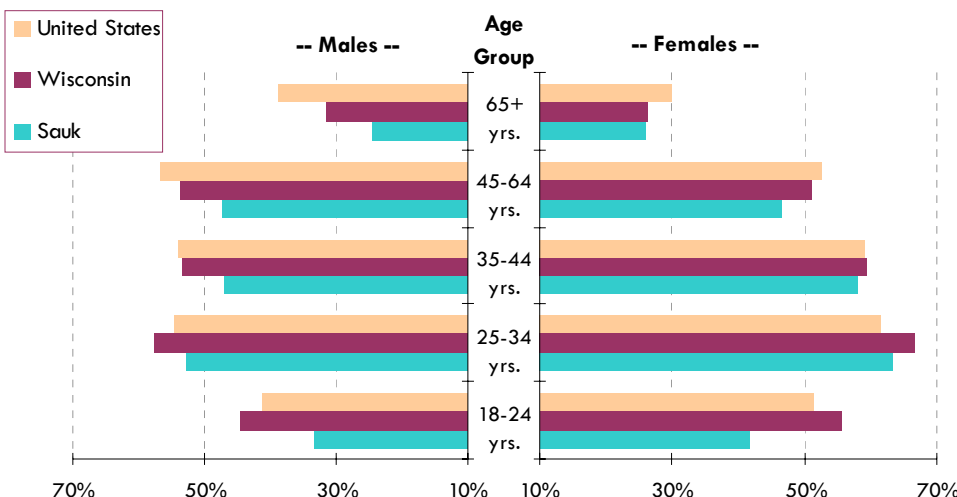
Post-secondary education has become more important for each generation than it was for the last generation. Together, several trends increase the emphasis on education and training. As goods, services and labor travel more easily, international competition allows workers and employers all over the world to bid for the same contracts. Education and training help workers and employers maintain a competitive edge by

using current technology more effectively and improving the development or application of future technologies.

The graph below shows a shift from older generations, where females have less post-secondary education than males to younger generations where females have more. As the economy shifted from male-dominated goods-producing industries to less dominated service-providing industries, social attitudes and employment laws changed to make education more economically valuable for females.

In the cohorts including residents between the ages of 25 and 44, Sauk County's residents are more likely than the nation's to report "some college, no degree" or an associate degree. At the same time, Sauk County has lower concentrations of residents reporting bachelor's degrees and graduate degrees or professional degrees. Workers with four-year degrees often gravitate toward metropolitan areas, where wages, industry mix and cultural amenities are often more attractive.

Residents with post-secondary education



Source: US Census 2000, Summary file 3, QT-P20

Employment and Wages

Educational attainment levels may be as much a product of employment and wage structure as a cause. Sauk County establishments pay wages about one-fifth below the statewide all-industries wage. On one hand, Sauk County's leisure & hospitality wage (\$13,254) was higher than the statewide leisure & hospitality wage (\$12,295). On the other hand, this was the lowest wage sector in both the state and the county and it accounted for 9.6 percent of Wisconsin's employment and 21.0 percent of Sauk County's employment, thus pulling down the all-industries average wage. The leisure & hospitality sector averaged 7,244 jobs in 2004. Between 2003 and 2004, the accommodation segment gained 359 jobs and the amusement, gambling & recreation segment shed 292 jobs; much of this change could be attributable to an accommodation establishment that acquired an amusement establishment, thus shifting unchanged jobs between categories.

The trade, transportation & utilities sector included 5,247 jobs in retail trade (average wage: \$18,741), 1,246 in wholesale trade (\$42,390), 806 in transportation and warehousing (\$31,551); and 90 in utilities (\$55,783). Nonstore retail employment retained very high concentrations despite shedding 162 (or 9.9 percent) of its jobs between 2003 and 2004. Gen-

Average Annual Wage by Industry Division in 2004

	2004	2004		
	Average Annual Wage	Average Annual Wage	Percent of	1-year
	Wisconsin	Sauk County	Wisconsin	% change
All Industries	\$ 34,749	\$ 27,863	80.2%	5.0%
Natural resources	\$ 27,399	\$ 39,220	143.1%	39.3%
Construction	\$ 41,258	\$ 44,093	106.9%	7.2%
Manufacturing	\$ 44,145	\$ 36,356	82.4%	5.1%
Trade, Transportation, Utilities	\$ 30,088	\$ 24,574	81.7%	3.9%
Information	\$ 41,759	\$ 26,989	64.6%	Not avail.
Financial activities	\$ 45,103	\$ 35,526	78.8%	8.0%
Professional & Business Services	\$ 39,580	\$ 31,485	79.5%	9.2%
Education & Health	\$ 36,408	\$ 32,360	88.9%	4.7%
Leisure & Hospitality	\$ 12,295	\$ 13,254	107.8%	-2.0%
Other services	\$ 20,207	\$ 17,253	85.4%	-18.0%
Public Administration	\$ 36,347	\$ 29,007	79.8%	6.3%

Source: WI DWD, Bureau of Workforce Information, Quarterly Census of Employment & Wages

eral merchandise retailers and wholesale trade added jobs in 2004, but not enough to make up for other retail jobs that were shed.

Although the trade, transportation & utilities and leisure & hospitality sectors offered more jobs, their respective total payrolls (\$181.6 million and 96 million) were well below the manufacturing sector's total payroll (\$248.8 million). While the plastics & rubber production segment accounted for 1,486 jobs with average wages of \$32,798, the printing activities segment accounted for 366 jobs paying an average of \$43,999.

2004 employment and wage distribution by industry in Sauk County

	Employment		Total payroll		
	Annual average	1-year change		% of Total Employment	% of Total Payroll
Natural Resources	340	30	\$ 13,334,796		
Construction	2,039	125	\$ 89,905,344		
Manufacturing	6,650	111	\$ 241,766,741		
Trade, Transportation, Utilities	7,390	-39	\$ 181,601,734		
Information	167	suppressed	\$ 4,507,206		
Financial Activities	1,709	301	\$ 60,714,621		
Professional & Business Services	2,009	-92	\$ 63,252,969		
Education & Health	4,915	11	\$ 159,048,456		
Leisure & Hospitality	7,244	125	\$ 96,011,215		
Other services	682	196	\$ 11,766,393		
Public Administration	1,395	-1	\$ 40,464,669		
Not assigned	0	Not avail.	\$ 0		
All Industries	34,540	752	\$ 962,374,144		

Source: WI DWD, Bureau of Workforce Information, Quarterly Census Employment and Wages, June 2005

Industry and Employers by Size

Top 10 Employers in Sauk County

Establishment	Product or Service	Size (Dec. 2005)
Ho-Chunk Casino, Hotel & Convention Center	Gaming, Hotel, Convention Center	1,700 employees
Wilderness Lodge	Hotel/Resort	1,300 employees
Lands' End	Clothing/Distribution & Telemarketing	1,100 employees
Kalahari Resort & Convention Center	Hotel/Resort/Convention Center	850 employees
Grede Foundries, Inc.	Ductile Iron Castings	840 employees
Perry Judd's, Inc..	Commercial Printing	725 employees
Sauk County	Government	675 employees
Sysco Food Services of Baraboo	Wholesale Food Distribution	650 employees
Cardinal IG	Insulated Glass	587 employees
Flambeau Inc.	Plastics	543 employees

Source: Sauk County Development Corporation <http://www.scdc.com/profiles/saukco.html>

Prominent industries in Sauk County

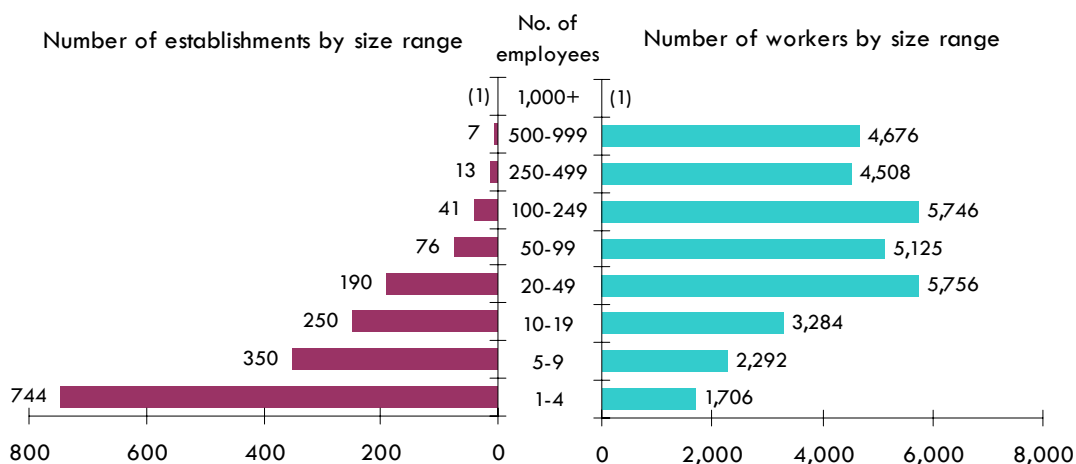
NAICS title	March 2005		Numeric change in employees	
	Establishments	Employees	2004-2005	2000-2005
Food services and drinking places	138	2,877	138	462
Accommodation	52	2,851	66	1,176
Executive, legislative, & gen government	36	2,688	1,526	1,550
Educational services	13	1,929	20	52
Plastics & rubber products manufacturing	8	1,440	-26	26
Nonstore retailers	*	*	not avail.	not avail.
Fabricated metal product manufacturing	21	1,261	93	485
Hospitals	3	1,176	4	101
Nonmetallic mineral product mfg	*	*	not avail.	not avail.
Ambulatory health care services	60	1,148	55	155

* data suppressed to maintain employer confidentiality

Column headings revised 02/06

Source: DWD, Bureau of Workforce Information, ES-202, September 2005

Sauk County establishments and workers by employment size range in 2004



(1) Data not available due to suppression factors

Source: DWD, Bureau of Workforce Information, Table 221, July 2005

Some industries provide goods or services primarily for local consumption. Governments, educators, hospitals, and ambulatory health service providers rely on local income and demographic trends to generate revenues. With the 60-and-over population growing much faster than younger age cohorts, health care may have more employment growth potential than education.

Other industries sell their goods and services to people from outside Sauk County, thereby bringing in outside money. Average annual wages are not very high in food services and drinking places (\$11,299), accommodation (\$14,383), or non-store retailers (\$15,090). Nonmetallic mineral product manufacturing was among the few prominent industries with high wages (\$40,965). Plastics & rubber product manufacturers are keenly aware of petroleum prices because they affect the cost of energy and other critical inputs.

The far-left graph shows large numbers of Sauk County establishments with few employees and small numbers of establishments with many employees. The graph to the immediate left shows employment distributed relatively evenly among establishments of different sizes.

Per Capita Personal Income

While page 3 discussed wages paid by Sauk County employers, this section focuses on income received by Sauk County residents, including income from work outside the county, investment/pension income and government transfer payments such as Social Security or other income support programs. The table below shows that Sauk County's 2003 Per Capita Personal Income (PCPI) of \$28,780 was 21st among Wisconsin's 72 counties and the 5-year PCPI growth rate of 19.5 percent was 19th.

Although Sauk and Columbia counties are quite different PCPI rankings, their physical sizes, population levels, geographic locations and all-industries average wages are comparable. Page 3 data shows that in 2004, employers located in Sauk County report 34,540 jobs paying a total of \$962 million while employers in Columbia County reported 19,756 jobs paying a total of \$561 million. Absent other factors, this would suggest that Sauk County's income is higher than Columbia County's.

Commuting probably differentiates Sauk and Columbia more than any other factor in the PCPI analysis. The 2000 Census reported that nearly 8,700 workers came into Sauk County for work while fewer than 6,000 left, meaning that Sauk County's net gain was roughly 2,700 commuters. Columbia County, on the other hand saw over 12,800 of its residents leave for work, while fewer than 7,100 workers came in from other counties, resulting in a loss of nearly 5,800 workers. Roughly 70 percent of the people leaving Columbia County headed for Dane

County, where the wages were higher, the unemployment rate was lower and jobs in professional and technical occupations were more numerous. Recent highway improvements may boost Sauk County's commuting figures and help workers bring in more money from elsewhere.

Wisconsin Counties 2003 Per Capita Personal Income and Rank in State

Area	2003	Rank	5-yr growth	Rank	Area	2003	Rank	5-yr growth	Rank
United States	\$ 31,472		17.1%		Manitowoc	\$ 27,807	27	13.6%	59
Wisconsin	\$ 30,685		17.2%		Marathon	\$ 29,992	16	22.0%	5
Adams	\$ 22,804	59	16.1%	37	Marinette	\$ 25,448	39	21.3%	9
Ashland	\$ 23,204	55	16.6%	32	Marquette	\$ 22,590	64	26.5%	1
Barron	\$ 24,922	41	15.2%	44	Menominee	\$ 18,449	72	19.8%	16
Bayfield	\$ 22,660	62	13.4%	60	Milwaukee	\$ 31,419	7	19.5%	18
Brown	\$ 32,076	5	17.8%	25	Monroe	\$ 23,467	54	16.8%	31
Buffalo	\$ 29,083	20	17.2%	28	Oconto	\$ 24,842	42	12.3%	66
Burnett	\$ 22,796	60	17.1%	29	Oneida	\$ 28,646	22	18.7%	21
Calumet	\$ 31,880	6	21.4%	8	Outagamie	\$ 30,952	11	20.5%	14
Chippewa	\$ 25,999	36	12.3%	67	Ozaukee	\$ 47,527	1	14.7%	48
Clark	\$ 22,227	66	13.9%	55	Pepin	\$ 24,407	44	13.0%	64
Columbia	\$ 30,846	12	18.2%	24	Pierce	\$ 27,963	26	18.6%	23
Crawford	\$ 22,628	63	20.9%	13	Polk	\$ 24,201	46	13.9%	54
Dane	\$ 36,455	3	21.0%	12	Portage	\$ 27,464	30	21.1%	11
Dodge	\$ 26,048	35	13.3%	61	Price	\$ 24,361	45	12.2%	68
Door	\$ 30,657	13	15.9%	40	Racine	\$ 31,271	8	15.0%	45
Douglas	\$ 23,568	53	15.3%	43	Richland	\$ 23,829	51	21.9%	6
Dunn	\$ 22,885	58	14.9%	47	Rock	\$ 28,256	25	14.1%	50
Eau Claire	\$ 27,469	29	17.5%	27	Rusk	\$ 20,461	71	14.0%	52
Florence	\$ 24,146	47	25.3%	3	Sauk	\$ 28,780	21	19.5%	19
Fond du Lac	\$ 29,951	17	16.1%	38	Sawyer	\$ 23,921	50	22.3%	4
Forest	\$ 21,975	68	25.4%	2	Shawano	\$ 23,941	49	13.9%	56
Grant	\$ 24,116	48	15.6%	42	Sheboygan	\$ 31,251	9	19.8%	17
Green	\$ 28,542	23	14.0%	51	St. Croix	\$ 31,091	10	13.6%	57
Green Lake	\$ 26,962	32	8.1%	72	Taylor	\$ 23,020	56	16.6%	34
Iowa	\$ 27,308	31	19.2%	20	Trempealeau	\$ 25,242	40	18.7%	22
Iron	\$ 22,912	57	21.1%	10	Vernon	\$ 20,950	70	15.7%	41
Jackson	\$ 26,084	34	21.9%	7	Vilas	\$ 25,664	37	13.0%	63
Jefferson	\$ 29,330	18	16.5%	35	Walworth	\$ 27,626	28	13.6%	58
Juneau	\$ 22,382	65	12.7%	65	Washburn	\$ 22,794	61	16.0%	39
Kenosha	\$ 29,117	19	16.5%	36	Washington	\$ 35,196	4	14.9%	46
Kewaunee	\$ 25,536	38	8.8%	71	Waukesha	\$ 41,551	2	12.2%	69
La Crosse	\$ 28,284	24	16.8%	30	Waupaca	\$ 26,863	33	14.0%	53
Lafayette	\$ 21,983	67	10.1%	70	Wausara	\$ 21,762	69	13.2%	62
Langlade	\$ 23,739	52	20.4%	15	Winnebago	\$ 30,359	15	16.6%	33
Lincoln	\$ 24,725	43	14.6%	49	Wood	\$ 30,401	14	17.7%	26

Source: U.S. Dept. of Commerce, Bureau of Economic Analysis, Regional Economic Information System, May 2005